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## BIWEEKLY REPORT

# SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS

EIC-WGR-1/4 2 April 1956

PREPARED BY THE WORKING GROUP
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS

ECONOMIC INTELLIGENCE COMMITTEE

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## SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS\*

#### I. Summary of Events, 13-26 March 1956.

During the period from 13 to 26 March 1956, the most significant Sino-Soviet Bloc steps toward the expansion of economic relations with underdeveloped areas in the Free World were the agreements reached at the meeting of the Council of Economic Mutual Assistance (CEMA) in East Berlin, the activities of Soviet Minister Anastas Mikoyan in Pakistan, the Soviet pressure on the Japanese salmon industry, and the increase of trade between Iceland and the Bloc.

Representatives of countries in CEMA, claimed by the Soviets as their counterpart of the US Marshall Plan, meeting in East Berlin in early March, reportedly agreed to strengthen the competitive position of the Sino-Soviet Bloc in the markets of underdeveloped countries and to cooperate in aiding any member of CEMA unable to meet its economic commitments in the Free World.

The visit of Soviet Minister Mikoyan to Pakistan highlights the Sino-Soviet Bloc activities in South and Southeast Asia and indicates that the USSR is continuing its attempts to create closer economic ties in the area. Mikoyan implied during his visit that the USSR would gladly aid in the industrial and general economic expansion of Pakistan. In the same area, India concluded trade agreements with Poland and Rumania, Ceylon with Czechoslovakia and Rumania, and Cambodia with Communist China.

In the Far East the USSR announced limitations on salmon fishing in the Sea of Okhotsk, presumably a move designed to exert pressure on Japan to sign a peace treaty on Soviet terms.

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<sup>\*</sup> Although the main emphasis of the Biweekly is on economic activities of the Sino-Soviet Bloc in underdeveloped areas of the Free World, significant Bloc activities of this nature in areas not considered underdeveloped also will be discussed.

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